

Operational Services Division

The Executive Office for Administration and Finance
Commonwealth of Massachusetts



Performance Report
Fiscal Year 2013

Gary J. Lambert

Assistant Secretary
for Operational Services

MESSAGE FROM THE ASSISTANT SECRETARY

I am pleased to present the Operational Services Division's (OSD) FY13 Performance Report. Thanks to the focused effort of the staff at OSD, the outcomes shown in the performance dashboard enclosed demonstrate growth in every area of our business. In many instances, we were able to exceed our goals. By leveraging the "4 Disciplines of Execution" method across our diverse business units, we were able to efficiently and effectively leverage the strengths of everyone within OSD to focus on the activities necessary to improve our overall performance and work to deliver our **"Wildly Important Goal": Increase the utilization of Statewide Contracts from \$978.5M to \$1.272B by June 30, 2013.**

In all cases, the focus of our goals and performance measures were driven by a desire to provide our customers with quality services and information that is valuable to them as businesses, citizens and other government entities. This method and focus has helped in the reshaping of our culture, and continues to push us forward with our efforts to embrace an outcome-based business model.

Looking ahead, OSD is launching a brand new set of technology tools to support a market center called COMMBUYS that will connect government with business at all levels. This new market center will be open to state government, education, local government, constitutional offices, and all businesses interested in selling their goods and services to any government entity in Massachusetts. We are also focusing on continuing our efforts to effectively communicate with our customers through the use of Mass.gov by overhauling current web content, and constantly adding new content to our web pages. In turn, we expect that by focusing our collective energy on effective communication, our results for the goals in the enclosed performance dashboard will continue to improve.




I am proud of the work of the OSD team and the results that we produce every day leveraging our strengths and creativity to get the job done on behalf of our customers.






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As an agency within the Executive Office of Administration and Finance, the Operational Services Division's goals reflect and bolster the commitments of A&F to bring about Better Finance, Better Health Care, Better Performance and Better Government.






This report was developed pursuant to Executive Order 540, Governor Patrick's directive to embed strategic planning and performance management across state government. OSD's FY13 Performance Report describes progress achieved against the goals set out in its 2013-2015 Strategic Plan.

PERFORMANCE DASHBOARD

STATUS LEGEND						
On Target (>= Target)		Close-to-Target (>= 80-99%)		Off Target (<80% of Target)		Not Applicable (N/A) -
Note: Descriptions for performance measures can be found on page 5						

GOAL (WIG & TEAM-WIGS)	MEASURE	CURRENT (FY13)	PRIOR (FY12)	TARGET	STATUS	COMMENTS
OSD FY13 WILDLY IMPORTANT GOAL (WIG): Increase the utilization of Statewide Contracts from \$978.5M to \$1.272B by June 30, 2013	Statewide Contract utilization	\$998,546,400 (22% below target)	\$978,500,000	\$1,272,650,000		The WIG is an agency-wide goal for a fiscal year. All goals listed below are sub-goals (Team-WIGs) undertaken by agency units to support the agency goal.
	Administrative fee collections ¹	\$9,985,464 (23% below target)	\$9,945,757	\$12,929,484		The administrative fee is an amount paid by vendors as a percentage of the business obtained by the vendor on a Statewide Contract.
Increase Statewide Contracts Transactions from 255,000 to 332,000	# of Statewide Contract transactions	255,190 (23% below target)	255,000	332,000		OSD's Sourcing Unit re-designed and re-issued the "OSD Update" as a "Contract User Guide" to increase understanding and usage of Statewide Contracts. 20 webinars were created to market the contracts.
	# of contract updates converted to "Contract User Guides"	76	N/A	55		The "Contract User Guides" were introduced in FY13. They are user-friendly instructions on how to use Statewide Contracts and replaced "Contract Updates".
Increase the potential pool of Supplier Diversity Office (SDO)-certified Prime Contractors from 159 to 300	# of Prime Contractors added	322	159	300		New activity in FY13. Added 163 prime contractors.






¹ "Administrative fee collections" is a new measure added for tracking on the OSD dashboard.

GOAL (WIG & TEAM-WIGS)	MEASURE	CURRENT (FY13)	PRIOR (FY12)	TARGET	STATUS	COMMENTS
Increase combined sales by 30 SDO-Certified Statewide Contract Vendors from \$89,291 to \$105,000 between April 12, 2013 and June 26, 2013	Amount of sales on Statewide Contracts with SDO-certified Vendors ²	\$384,331	89,291	105,000		This goal is a two month team-WIG launched at the end of FY13. Time period limited to 4/12/2013 to 6/13/2013, with the current and prior periods representing a snapshot in time.
Inform 600 Buyer-Customers of goods available on Statewide Contracts	# of Buyer-Customers contacted	647	N/A	600		New activity in FY13.
Increase number of eligible Purchase of Service (POS) contractors approved to use Statewide Contracts from 719 to 849 by March 31, 2013	# of eligible POS contractors approved to use Statewide Contracts	849	719	849		New Activity in FY13. Completed on December 27, 2012. Prior period represents a snapshot in time at the start of FY13.
Analyze 214 Statewide Contract Vendors for underpayments of 1% administrative fee ³	# of vendors contacted who underpaid their admin fee	214	N/A	214		New Activity in FY13. Time period limited to Q4 FY13. Analyzed data for 214 vendors. Collected \$118,585 in administrative fees representing \$11,858,000 in spend with vendors on Statewide Contract.
Increase number of new Training, Outreach and Marketing events and communications from 0 to 61 ⁴	# of new Training, Outreach and Marketing events and communications	82	N/A	61		Measures only new events and communications. New communications included articles placed in public entity and public association newsletters and Statewide Contracts featured on the OSD homepage and OSD lobby board. New events included first-time information booths at trade association and public entity associations.

² OSD added a new team-WIG at the end of FY13 to increase sales on Statewide Contracts with SDO-certified vendors. Teams are required to have an active WIG for the full fiscal year and will adopt a new WIG following early completion of an initial WIG.

³ OSD added a new team-WIG to identify vendors who underpaid their administrative fees. Teams are required to have an active WIG for the full fiscal year and will adopt a new WIG following early completion of an initial WIG.

⁴ This team-WIG was changed from "Increase the number of training, outreach and marketing events from 500 to 800." Related measures were combined.

GOAL (WIG & TEAM-WIGS)	MEASURE	CURRENT (FY13)	PRIOR (FY12)	TARGET	STATUS	COMMENTS
Increase the number of non-executive branch purchasers of Commonwealth Print Shop services from 79 to 103	# of "new" non-executive branch customers	104	79	103		
	# of non-executive branch eligible entities provided with customer specific marketing materials.	445	N/A	4 per week		New activity in FY13.
Reduce Absenteeism of employees from 6.39 days per employee to 5.39 days per employee to increase productivity	# of agency-sponsored wellness events	12	N/A	12		New activity in FY13.
	% of staff members interviewed on wellness and workplace morale issues	100%	N/A	100%		New activity in FY13.
	Absenteeism rate per employee based on cumulative utilization of all employees	5.75 days per employee	6.39 days per employee	5.39 days per employee		New activity in FY13.

MEASURE DESCRIPTIONS

GOAL	MEASURE	DESCRIPTION	SOURCE
Increase the utilization of Statewide Contracts from \$978.5M to \$1.272B	Statewide Contract utilization	This measure tracks the total spending amount through Statewide Contracts by executive and non-executive government and eligible entities.	Massachusetts Management Accounting and Reporting System (MMARS) and Vendor Reports
	Administrative fee collections	This measure tracks the amount paid as an administrative fee by Statewide Contract Vendors as a percentage of the business obtained by the vendor. The administrative fee is 1% of total business obtained.	MMARS and Vendor Reports
Increase Statewide Contract transactions from 255,000 to 332,000	# of Statewide Contract transactions	This measure tracks the total number of Statewide Contract transactions. A transaction is a purchase order issued by a purchaser to a vendor.	MMARS and Vendor Reports
	# of contract updates converted to "Contract User Guides"	This measure tracks the number of contract updates ("OSD Updates") converted to new "Contract User Guides" that explain the key aspects of a contract to customers in a more user-friendly way.	Strategic Sourcing Leads
Increase the potential pool of Supplier Diversity Office (SDO)-certified Prime Contractors from 159 to 300	# of Prime Contractors added	This measure tracks the number of Prime Contractors added to the pool of Supplier Diversity Office-Certified Prime Contractors. A Prime Contractor is a contractor who will partially fulfill Statewide Contract obligations by the use of sub-contractors.	SDO tracking

GOAL	MEASURE	DESCRIPTION	SOURCE
Increase combined sales by 30 SDO-certified Statewide Contract Vendors from \$89,291 to \$105,000 between April 12, 2013 and June 26, 2013	Amount of sales on Statewide Contracts with SDO-certified vendors	This measure tracks the amount of sales on Statewide Contracts done with 30 Supplier Diversity Office-certified Vendors.	SDO tracking
Inform 600 Buyer-Customers of goods available on Statewide Contracts	# of Buyer-Customers contacted	This measure tracks the number of non-executive branch public buyers contacted by telephone to inform them of goods available on Statewide Contracts; follow-up may consist of delivering a training session on how to use Statewide Contracts.	Customer Relationship Managers
Increase number of eligible POS Contractors eligible to use Statewide Contracts from 719 to 849	# of POS Contractors eligible to use Statewide Contracts	This measure tracks the number of Purchase of Service Contractors eligible to use Statewide Contracts. Human and Social Service POS may purchase from Statewide Contracts if they have filed fully completed, required Financial Reports with OSD.	Special Education Pricing Program
Analyze 214 Statewide Contract Vendors for underpayments of 1% administrative fee	# of vendors contacted who underpaid their admin fee	This measure tracks the number of vendors contacted who underpaid their 1% administrative fee charged on business obtained through Statewide Contracts.	MMARS and Vendor Reports
Increase the number of Training, Outreach and Marketing events and communications from 0 to 61	# of new Training, Outreach and Marketing events and communications	This measure tracks the total number of Training, Outreach and Marketing events and communications. New communications include articles placed in public entity and public association newsletters and Statewide Contracts featured on the OSD homepage and OSD lobby board. New events included first-time information booths at trade association and public entity associations.	Training, Outreach and Marketing (TOM) Unit

GOAL	MEASURE	DESCRIPTION	SOURCE
Increase the number of non-executive branch purchasers of Commonwealth Print Shop Services from 79 to 103	# of “new” non-executive branch purchasers of Commonwealth Print Shop Services	This measure tracks the number of “new” non-executive branch purchasers that have not previously utilized Commonwealth Print Shop Services.	Commonwealth Print Shop
	# of non-executive branch eligible entities provided with customer specific marketing materials	This measures tracks the volume market efforts targeted to non-executive branch eligible entities such as municipalities	Commonwealth Print Shop
Reduce absenteeism of employees to increase productivity	# of agency sponsored wellness events	This measure tracks the number of agency sponsored wellness events.	OSD Human Resources (HR)
	% of staff members interviewed on wellness and workplace morale issues	This measure tracks the percent of staff members interviewed on wellness and workplace morale issues.	HR Compensation Management System, OSD HR
	Absenteeism rate per employee based on cumulative utilization of all employees	This measure tracks total personal sick leave hours for all employees divided by the number of employees in the 12 month period.	OSD HR